

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA	:	Criminal No. 11-
	:	
	:	15 U.S.C. §§ 78j(b) and 78ff
v.	:	17 C.F.R. § 240.10b-5
	:	18 U.S.C. § 2
	:	
JAMES TURNER	:	<u>INFORMATION</u>

The defendant having waived in open court prosecution by Indictment, the United States Attorney for the District of New Jersey charges:

Relevant Individuals and Entities

1. At all times relevant to this Information:

a. Defendant JAMES TURNER, a resident of Michigan, was employed as Chief Investment Officer and Portfolio Manager by the Clay Capital Fund, a hedge fund based in Union County, New Jersey. In this capacity, defendant JAMES TURNER was responsible for directing trading in the Clay Capital Fund.

b. Scott Vollmar, a resident of Oregon, was James Turner's brother-in-law. From at least in or about November 2007 through in or about September 2008, Scott Vollmar was employed as Director of Business Development at Autodesk, Inc., a software company based in San Rafael, California, whose common stock was registered with the U.S. Securities and Exchange Commission ("SEC") and was listed on the NASDAQ stock exchange under the ticker symbol "ADSK."

c. Scott Robarge, a resident of California and Colorado, was James Turner's friend and college classmate. From at least in or about December 2003 through in or about 2010, Scott Robarge was employed as a Recruiter and Recruiting Technology Manager at Salesforce.com Inc., a software company based in San Francisco, California, whose common stock was listed on the New York Stock Exchange under the ticker symbol "CRM."

The Insider Trading Scheme

2. From in or about 2006 through in or about 2010, in the District of New Jersey and elsewhere, defendant

JAMES TURNER

did knowingly and willfully, directly and indirectly, by the use of the means and instrumentalities of interstate commerce, and of the mails and of the facilities of national securities exchanges, in connection with the purchase and sale of securities, use and employ manipulative and deceptive devices and contrivances, in violation of Title 17, Code of Federal Regulations, Section 240.10b-5, by (a) employing devices, schemes and artifices to defraud; (b) making untrue statements of material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; and © engaging in acts, practices and courses of business which operated and would operate as a fraud and deceit upon persons, as more fully described below.

Manner and Means of the Insider Trading Scheme

3. It was part of the insider trading scheme that Scott Vollmar, Scott Robarge, and others (collectively, the "Insiders") misappropriated material, nonpublic information ("Inside Information") in violation of: (1) the fiduciary and other duties of trust and confidence owed to their respective employers; (2) the expectations of confidentiality of their respective employers; and (3) their respective employers' written policies regarding the use and safekeeping of confidential and material, nonpublic information.

4. It was further part of the insider trading scheme that the Insiders disclosed Inside Information to defendant JAMES TURNER in breach of their duties of confidentiality to their respective employers and their shareholders with the understanding that defendant JAMES TURNER would use the Inside Information to purchase and sell securities, and thereby receive substantial illegal profits.

5. It was further part of the insider trading scheme that defendant JAMES TURNER, while in possession of the Inside Information that he knew had been misappropriated by the Insiders in breach of their duties of confidentiality to their respective employers, purchased and sold securities based on such information and thereby received illegal profits of more than \$2.5 million.

The Moldflow Transactions

6. It was part of the insider trading scheme that, on or about January 24, 2008, Scott Vollmar called defendant JAMES TURNER and disclosed to him Inside Information concerning Autodesk, Inc.'s ("Autodesk") interest in acquiring the company Moldflow Corporation ("Moldflow"). On numerous occasions between on or about January 24, 2008 and on or about May 1, 2008, Scott Vollmar continued to disclose Inside Information to defendant JAMES TURNER concerning the status of the confidential negotiations between Autodesk and Moldflow.

7. It was further part of the insider trading scheme that, between on or about January 28, 2008 and on or about May 1, 2008, on the basis of the Inside Information disclosed to him by Scott Vollmar, defendant JAMES TURNER (1) caused the Clay Capital Fund ("Clay Capital") to purchase more than approximately \$2.3 million worth of Moldflow stock, and (2) purchased additional shares of Moldflow stock, worth a total of more than approximately \$3.5 million, in approximately eleven separate brokerage accounts that he controlled for himself and on behalf of his family members (collectively, the "Turner Brokerage Accounts").

8. After the market closed on or about May 1, 2008, Autodesk announced that it had agreed to purchase Moldflow for approximately \$22 per share. The next day, Moldflow's stock price rose approximately 11 percent.

9. It was further part of the insider trading scheme that, following the announcement of Autodesk's acquisition of Moldflow on or about May 1, 2008, defendant JAMES TURNER (1) caused Clay Capital to sell its entire position in Moldflow, realizing illicit profits of approximately \$650,000, and (2) sold all of the shares of Moldflow held in the Turner Brokerage Accounts, realizing illicit profits of approximately \$1.1 million.

The Autodesk Transactions

10. It was further part of the insider trading scheme that, on or about January 16, 2008, Scott Vollmar called defendant JAMES TURNER and disclosed to him Inside Information concerning Autodesk's anticipated earnings report for the quarter ending January 31, 2008, namely, that Autodesk likely would exceed its revenue targets.

11. It was further part of the insider trading scheme that, on or about February 16, 2008, Scott Vollmar called defendant JAMES TURNER and again disclosed to him Inside Information concerning Autodesk's anticipated earnings report for the quarter ending January 31, 2008. Specifically, Scott Vollmar disclosed to defendant JAMES TURNER that Autodesk's outlook had changed, that its operating expenses for the quarter had been higher than anticipated, and that it would be difficult for Autodesk to meet its earnings targets for the next two quarters.

12. It was further part of the insider trading scheme that, on the basis of the Inside Information disclosed to him by

Scott Vollmar, between on or about February 19, 2008 and on or about February 26, 2008, defendant JAMES TURNER (1) caused Clay Capital to sell short approximately 20,000 shares of Autodesk stock, and (2) purchased approximately 1,600 option contracts to sell shares of Autodesk in the Turner Brokerage Accounts.

13. After the market closed on or about February 26, 2008, Autodesk announced its earnings for the fourth quarter of 2008 and lowered its earnings guidance for the following quarter. The next day, Autodesk's stock price fell more than 15 percent.

14. It was further part of the insider trading scheme that, following Autodesk's earnings announcement on or about February 26, 2008, defendant JAMES TURNER (1) caused Clay Capital to close out its short position in Autodesk, realizing illicit profits of approximately \$100,000, and (2) sold the option contracts he had purchased in the Turner Brokerage Accounts, realizing illicit profits of approximately \$490,000.

The Salesforce Transactions

15. It was further part of the insider trading scheme that, in or about February 2008, Scott Robarge disclosed Inside Information to defendant JAMES TURNER concerning Salesforce.com Inc.'s ("Salesforce") sales results for the quarter ending January 31, 2008.

16. It was further part of the insider trading scheme that, between on or about February 21, 2008 and on or about February 27, 2008, on the basis of the Inside Information disclosed to him by Scott Robarge, defendant JAMES TURNER

purchased in the Turner Brokerage Accounts: (1) approximately 25,500 shares of Salesforce stock, and (2) approximately 110 option contracts to buy shares of Salesforce stock.

17. On or about February 27, 2008, Salesforce.com announced its earnings for the quarter ending January 31, 2008. Salesforce's profits and sales exceeded analysts' estimates. In extended trading on or about February 27, 2008, Salesforce's stock price increased approximately 17 percent.

18. It was further part of the insider trading scheme that, on or about February 28, 2008, defendant JAMES TURNER (1) sold approximately 25,500 shares of Salesforce stock in the Turner Brokerage Accounts, realizing illicit profits of approximately \$200,000, and (2) sold approximately 110 option contracts that he had purchased in the Turner Brokerage Accounts, realizing illicit profits of approximately \$24,000.

In violation of Title 15, United States Code, Sections 78j(b) and 78ff; Title 17, Code of Federal Regulations, Section 240.10b-5, and Title 18, United States Code, Section 2.


PAUL J. FISHMAN
United States Attorney

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PAUL J. FISHMAN

U.S. ATTORNEY

NEWARK, NEW JERSEY

CHRISTOPHER J. KELLY

ASSISTANT U.S. ATTORNEY

NEWARK, NEW JERSEY

973-645-6112
